



Universal Recycling Grants and Low Interest Loan Program Guidance Cycle 9

The Delaware Department of Natural Resources and Environmental Control (DNREC) is accepting applications to the Universal Recycling Grants and Low Interest Loan Program. Cycle 9 represents the latest cycle that this program has initiated. There are three (3) project categories with different funding criteria that the Recycling Public Advisory Council (RPAC) approved for Cycle 9: School Field Trips, Food Waste Reduction and Open/Competitive Categories. The total amount of funding allocated to Cycle 9 is \$390,000 split between the three (3) project category sections. All the funds disbursed under the Universal Recycling Grant and Low Interest Loan Program will be in the form of reimbursement grants or low interest loans. Required reports and reimbursement forms must be submitted in order to receive funds. The application process for Cycle 9 will open May 17, 2019 and applications must be received no later than 4:00 p.m. on July 12, 2019. It is anticipated that awards will be made in October 2019 by the RPAC and contracts will be signed November/December 2019 with projects initiating on January 1, 2020. There will be mandatory meetings with all grant/loan recipients to go over grant contracts. Once a contract has been approved and signed, there will be no extensions granted unless a significant hardship exists.

I. Background

The Universal Recycling Grants and Low Interest Loan Program (7 Del. C. §6055) was established pursuant to the Delaware Solid Waste Recycling Law. It is a competitive program to assist persons with the implementation of recycling programs and initiatives which result in improved recycling. Implementation of statewide, universal recycling programs has contributed to significantly increasing the State's recycling diversion rate of 23.2% for 2006 to the most recently reported rate of 43.1% for 2017. It is necessary to build on progress achieved thus far and increase participation in order to meet the following statewide diversion goals established in Table 1 of 7 Del. C. §6056.

Table 1. Interim Zero Waste Diversion Goals¹

Diversion Goal Target Date	Total Solid Waste Diverted from Disposal	Municipal Solid Waste Diverted from Disposal
January 1, 2015	72%	50%
January 1, 2020	85%	60%

¹ By weight

Municipal Solid Waste (MSW) includes most typical trash from homes and businesses. Total Solid Waste, as referenced by the middle column, is a broader category of material including MSW, but also certain industrial and agricultural wastes.

II. Grants and Loan Focus, Priorities and Terms

Examples of organizations that have received previous grant and loan funding include waste collectors, municipalities, businesses, community organizations, and schools. Examples of commonly funded items include recycling collection vehicles, interior and exterior recycling containers/dumpsters, balers, composting equipment, hand trucks, flyers, educational materials, and outreach. “Outside the box” possibilities might be a recycling cellphone app, creative advertising, or innovative space saving design for co-locating dumpsters. **Creativity and collaboration are encouraged.** The emphasis of this grant cycle is on the five priority areas below, but various types of projects and expenses may be funded including those outside of the priority areas. Refer to *Section III, Eligibility* for details on eligible applicants, activities, and reimbursable expenses.

Cycle 9 will be awarded differently than years past based on updated direction by the RPAC. Below is the breakdown of the Grant Project Categories that can be applied for and the funding priorities for each of them.

School Field Trip Program:

In order to help students better understand how recycling works, RPAC has committed to reimburse any school within the State (public, private, etc.) up to \$500.00 to defray the transportation costs associated with visiting the Delaware Solid Waste Authority’s Education Center located at the Delaware Recycling Center in New Castle. RPAC is encouraging schools to choose and send **one (1) grade level** on this field trip. The costs covered include only the rental of the bus and the cost of the driver and will be capped at \$500.00 for each driver/bus needed. **Example:** School ABC has eighty (80) 4th graders (entire grade) that will attend the field trip, and this will take two (2) drivers/buses. It will cost \$1,100.00 to transport students on this field trip. The school district can apply for a reimbursement of up to \$1,000.00 (up to \$500.00 per driver/bus) for this trip.

School Field Trip Funding Allocation: \$80,000.00

Food Waste Reduction Initiatives Program:

One of the largest components of Delaware’s waste stream that still needs support is the category of ‘Food Waste.’ This category is something that affects both the residential and the commercial/institutional sectors and needs solutions. Because Delaware does not yet have infrastructure to accommodate and encourage the composting of food waste, applicants are encouraged to design solutions focused on reduction activities that can be easily replicable across the State. Collaboration across all facets of the food industry that exist in the State (e.g. agricultural, processing, manufacturing, wholesale/retail, restaurant, catering, institutional kitchen, etc.) should be considered and encouraged. Removing food waste from the waste stream and specifically the landfill is an action that can have both measurable waste reduction implications and reduced greenhouse gas emissions. Applicants initiating projects within this category will be required to measure both metrics. At the start of projects a baseline calculation will be used to determine both the tons going into the trash dumpster (disposed of) and the GHG emissions produced by those actions. Because the reduction of food waste can be directly correlated to greenhouse gas reduction, an approved calculator will be provided to recipients to determine the impacts (positive and/or negative) based on the activities undertaken. Periodic and final reduction calculations will be required throughout the grant period.

Food Waste Reduction Initiative Funding Allocation: \$100,000.00

Open/Competitive Program Funding Priorities:

1. **Data Analytics:** One of the hallmarks of the Universal Recycling Law was the establishment of diversion/recycling goals which the State is encouraged to achieve. Given the changes in technology that have occurred since the inception of the Universal Recycling Law, looking at local or categorical data will

help the State determine successes and shortfalls within the system. The goal of the Data Analytics focus is to leverage the data being produced by the hauling and management (recycling, disposal, reuse, etc.) community and measure achievement of the stated goals. By identifying both achieving and underachieving areas, Delaware can react appropriately and direct resources and technical assistance to make sure the entire State achieves the goals outlined in the statute.

2. **Economic/Recycling Markets Study:** Recycling is a market driven activity that is directly impacted by the manufacturing industries requiring raw materials that can be collected in a local program. In order to ensure the long term stability and viability of a recycling program, understanding what the needs of 'local' industries are is important. Secondly, as new manufacturing opportunities are created, what new diversion opportunities exist that might not be included in current programming. Delaware has statewide diversion goals attached to our Universal Recycling Law and program. In order to maximize diversion, understanding what capacity exists to purchase those materials we are diverting is necessary to make sure the State weathers changes. Similarly, if there are gaps in the market which could be filled by innovative Delaware companies, that is another opportunity to look at since keeping material local is most efficient.
3. **Behavior Change:** Projects that focus on ways to identify, educate and measure behavior change around recycling or waste reduction related activities and/or opportunities. This category can include anything that 'engages' the public including creating specific media (e.g. event, website, publication, etc.) that can be available or disseminated Statewide, partnering with existing events to educate and encourage new diversion opportunities or leveraging media in ways that have not been done before with regard to recycling and waste reduction. **NOTE:** Cycle 7/8 Media Grant recipients are eligible to apply only for **NEW** or **DIFFERENT** projects in this category. No additional funding will be allocated to support currently contracted Cycle 7/8 projects.
4. **School or University Project:** Any school or University/College within the State that is interested in creating and executing a project to enhance current recycling or waste reduction activities can submit a project. **NOTE:** If your organization is currently under the existing Recycling & Solid Waste Services contract for hauling, this contract mandates that the hauler provide you with containers, so container projects in this case will **NOT** be funded.
5. **Municipal/County Government:** Municipalities and/or Counties that want to undertake new or enhanced recycling or waste reduction activities are encouraged to submit project applications. **NOTE:** If your organization is currently under the existing Recycling & Solid Waste Services contract for hauling, this contract mandates that the hauler provide you with containers, so container projects in this case will **NOT** be funded.

In all cases, grants awarded under the Open/Competitive Category must be quantifiable or measurable to acceptable standards as agreed upon by DNREC and the applicant. In cases where there is an identified way to reduce waste or increase diversion/recycling, a baseline must be submitted. Similarly, additional calculations must be measured throughout the term of the project and for a period of **three (3) years** after the final report is submitted to DNREC. Education around waste reduction and recycling is something that should be embedded into all projects executed under this grant and done in such a way that ongoing funding is not necessary to ensure project gains are sustainable.

An applicant is not precluded from submitting multiple grant or loan applications. Applicants who choose to submit multiple applications are highly encouraged to ensure that each application can stand on its own merits and is competitive.

The grants and loan program has limits on the amount of funding available, so awards cannot exceed the funds available. This is a competitive grant and loan process and therefore partial awards and non-awards are a possibility.

Open/Competitive Projects Funding Allocation: \$210,000.00

Additional Program Details:

Low-interest loans are possible through this program. Applicants who want a loan must clearly indicate on the application that the application is for a loan. Because it is possible to receive partial grant funding, a grant applicant who is only partially awarded may also request a loan to supplement their project costs. Applicants who are selected to receive partial grant funding must indicate their interest in a loan within 7 days of receiving the grant award notification which is sent to all successful applicants. Please note: In order to qualify for a loan, applicants may be subject to the submittal of additional documentation within 45 days. Applicants must qualify for any loan request by demonstrating credit worthiness and meeting the required loan criteria. An invitation to apply for a loan does not guarantee an applicant will qualify for loan funding. **Loan rates are typically 2% or 3%** depending on circumstances.

If the activity outlined under the project proposal requires permits issued by any Government Agency (e.g. local, County, State, Federal, etc.) no reimbursements will be provided until permits have been issued.

III. Eligible and Ineligible Applicants, Activities, and Costs

Eligible Applicants and Activities

In the broadest terms, eligible applicants are for-profit entities, non-profit organizations, municipal governments, schools, and other organizations collectively referred to as persons inclusive of the following:

- Persons proposing to provide public education and community outreach, conduct applicable research studies, or facilitate training, provided they can demonstrate:
 - relevant prior successes and their capacity to accomplish the goal of their application; and,
 - possess the financial, technical and managerial capability to conduct the proposed activity.
- Those persons engaged in the business of collecting, transporting, processing, or marketing recyclable materials.
- All for-profit businesses, non-profit businesses, municipalities, schools, and organizations that may be starting, improving, or expanding their own recycling programs.

Eligible Costs

- Capital equipment costs;
- Education and outreach costs;
- Research studies conducted by qualified investigators from which conclusions on the effectiveness of Universal Recycling programs can be drawn and recommendations made that will contribute to achieving the diversion goals established in 7 Del. C. §6056;
- Training costs.

Limitations to Funding:

- Labor Costs: Any labor costs (e.g. consultant, etc.) must be line itemed and listed on the Application under a category called "Labor Costs." The maximum 'per hour' rate, inclusive of wages and benefits, is **not to exceed \$30/hour**. In addition, labor costs reimbursed under this program do **NOT** imply or provide employment with the State of Delaware.
- Food Costs: If a project proposal includes food cost reimbursements, food will not be reimbursed above the State's 'per diem' which is currently set at \$13/person for breakfast, \$14/person for lunch and \$23/person for dinner. This includes the cost of food, beverage tax (if applicable) and any tips. Food costs must be line itemed and listed on the Application under a category called "Food Costs." In cases where attendance drives the amount of food, any meals paid for in excess of attendance should be donated to a

local food benefit organization. **No additional funds** will be provided for food costs in **excess** of the line itemed amount allocated for food.

Ineligible Costs

- Contractual services for the cost of recyclables collection, processing or marketing;
- Scenarios that result in double payment for services rendered (e.g. a municipality that contracts for waste services, applies for a grant to cover the cost of carts, but must pay a waste service fee that does not account for the cart cost savings);
- Activities outside Delaware (**Note:** interstate transport of recyclables collected in Delaware is permissible; however, transportation costs are ineligible for funding);
- Refuse and solid waste collection, transport, transfer, or disposal costs (**Note:** equipment costs related to implementation of curbside Pay-As-You-Throw waste collection may be eligible for loan funding);
- Any activities that do not contribute to increasing the State's diversion rate;
- Site improvements not related to eligible activities;
- Contingency funds or investments of any type;
- Permit fees and ongoing contracts for services where such costs are borne by public entities (**Note:** this is most commonly found where an entity contracts out for recycling services and recoups the costs from the residents being served);
- Unrelated debts;
- Labor costs that are not included in the Eligible Costs as noted above;
- Operational costs including, but not limited to, fuel, maintenance, utilities, and indirect facility and administration expenses (**Note:** consideration will be given to such costs for loan funding);
- Purchase of real estate (**Note:** these costs are eligible for loan funding);
- Political or lobbying activity;
- Any other activities that do not directly contribute to increasing the diversion rate; and,
- Anything contrary to state law.

Ineligible Applicants

- State executive branch agencies, departments, and offices required to comply with Executive Order Eighteen (EO-18) or any Executive Orders supplanting EO 18;
- Homeowners/individual residents transporting their own waste and recyclables; and
- Organizations or entities that are not formally established and operating at the time of application (note: consideration will be given to such entities for loan funding).

Note: Other restrictions on the use of the funds may be added at the time of the award based on the specifics of the project.

IV. Application Deadline & Requirements

Application Deadline – 4:00pm on July 12, 2019

Application Submission Requirements

The following must be scanned and submitted by email to:

recycle@delaware.gov by the Application Deadline:

- A completed application form personally **signed by the appropriate Organization Manager and Project Manager**;

- The projects proposed budget sheet; and,
- Documentation to support budget line items (price quotes, pro-forma invoices, online vendor price sheets)

Scanning and submitting as one document in “.pdf” format is required for electronic submission. All applicants will receive confirmation of their electronic submission within 72 business hours of receipt.

If an applicant is unable to email the application package, the original application package (as listed above) may be mailed or hand delivered. The complete package must be **received by DNREC by the Application Deadline** at the address listed below. The application must be legible (preferably typewritten) double-sided printed on recycled content paper and bound with a paperclip or staple. Use of a mail tracking system is highly encouraged, as is accounting for delivery time. DNREC is not responsible for applications lost or delayed in transit.

Address:

DNREC – SHWMS
Recycling Grants & Loan Program
89 Kings Highway
Dover, DE 19901

Applications that are incomplete, that do not meet the eligibility criteria, or that are not received by the deadline will not be considered.

Application Package Contents Requirements

The Recycling Grants and Low Interest Loan Program is competitive and as such, only the highest-ranking applications may receive funding. However, you do not need to be an expert to apply. **DNREC encourages all interested parties to apply and not be intimidated. The Program welcomes creative and innovative projects.** The application form is available at <https://dnrec.alpha.delaware.gov/waste-hazardous/recycling/grants-loans/>.

The Application includes the following mandatory categories:

- **Goal** – What will the project accomplish?
- **Needs/Benefits** – Describe why the grant is necessary. Describe the service area, the population served, and the reason(s) that group selected is to be addressed in the manner proposed. By whom and by what amount will this project increase diversion of the targeted waste stream?
- **Implementation** – How will this project be implemented and over what timeframe? Please include pertinent implementation benchmarks.
- **Outreach and Education** – By what means will the intended recipients of this project be made aware of the projects availability, requirements for participation and benefits? *(Various tools and informational links are available at www.recycling.delaware.gov.)*
- **Performance Measures** – What unit of measure will be used to determine the success of the project, especially if an increase in the tonnage of materials diverted is being used to measure program effectiveness?
- **Fiscal Sustainability** – How will the project continue once the grant or loan funds have been utilized?
- **Partnering** – Indicate whether or not the opportunity for partnering has been evaluated, whether or not partnering will occur and if yes, please describe the nature of the partnership.
- **Budget** – Please clearly define and itemize the projects expenses. **In addition to the budget sheet, cost estimates, quotes or other supporting documentation are required to support all expenditures and should be attached to the application form.** Organizations that request personnel funding must also provide budget summaries and hourly wage rates for personnel costs which are subject to approval.

Personnel costs are largely ineligible (*see section on ineligibility above*). Additionally, any categories that require line item separation will not be funded if they are included in other categories.

- **Supporting Documentation** – Please include any supporting documentation that will corroborate your application.

Note: The application form limits the length of each section and in total. Please make sure your wording for any of the sections or fields does not exceed these limits to avoid text from being unintentionally excluded.

Confidentiality – Please note that the DNREC’s Freedom of Information Act (FOIA) requirements specify the procedures and criteria under which a person may request that certain records or portions of records submitted to the DNREC be held confidential. For more information visit the DNREC’s FOIA regulation at:
<http://regulations.delaware.gov/AdminCode/title8/900.shtml#TopOfPage>.

V. Application Selection Criteria

The criteria listed below will be used as a guideline in evaluating Grant and Loan applications. The DNREC and the Recycling Public Advisory Council (RPAC) will rate each application based on these criteria. Applicants are strongly advised to take these criteria into consideration in designing their projects and preparing their proposals:

Points Criteria

15	Diversion – Applicant demonstrates the project will contribute to meeting the requirements established in 7 Del. C. §6053 and the diversion goals* established in 7 Del. C. §6056, and that the diverted materials will be recycled as opposed to landfilled or incinerated.
15	Priority Area – Applicant’s project is within the programmatic priorities. See <i>Section II “Grant and Loan Focus, Priorities and Terms”</i> above.
10	Fiscal Sustainability – Applicant demonstrates a commitment to sustaining the project beyond the grant term and explains how that commitment will be maintained.
10	Proposal – Applicant has a clear, well written, and thought out proposal that will accomplish the intended goal including a clear timeline for implementation.
10	Outreach – Applicant has an effective plan for outreach to encourage recycling.
15	Budget – Applicant has a clear, well written, and thought out budget with price quotes and a commitment to clearly respond to any questions or concerns DNREC or RPAC may have.
15	Measurement – Applicant has demonstrated the ability to measure material diverted. This includes baseline measurements and periodic measurements for the period of the project. Similarly for behavior change projects, impact measurements also need to be developed, tracked and reported.
10	Efficiency, Effectiveness and Cost Share – Applicants that demonstrate highly efficient and effective programs or that can provide a cost share toward the total project costs, either in matching cash or in-kind services, will be viewed more favorably.
100	Total

* The diversion percentage goals do not need to be met by the individual applicant. The applicant just needs to demonstrate that their project will contribute to an increase of recycling in Delaware.

To evaluate and rate applications, DNREC staff coordinate with the RPAC Grants and Loan Sub-Committee to draft preliminary ratings and rankings. The full RPAC will then discuss preliminary ratings to recommend a final ranking and funding awards. DNREC typically awards funding based on RPAC recommendations but reserves the right to make independent funding decisions provided a written justification is given to the RPAC.

VI. Workshops

DNREC staff is available to provide technical and administrative assistance. Interested parties should contact Adam Schlachter at 302-739-9403 or via email at recycle@delaware.gov.

Grant applications can be downloaded at

<https://dnrec.alpha.delaware.gov/waste-hazardous/recycling/grants-loans/>

VII. Award Process & Grant Recipient Responsibilities

Award Process –

The following schedule is what will be used by DNREC and the RPAC Grants Sub-Committee for the review and approval of the Grant Applications:

- July 12, 2019: Grants and Low Interest Loan application submittals are due by 4:00pm on this day. DNREC staff will review all applications for completeness and collate eligible applications to be passed on to the RPAC Grants Sub-Committee.
- October 23, 2019: RPAC council meets and approves grants/loans.
- November 1-30: DNREC coordinates with successful grant/loan awardees to initiate contracting process.
- December 2019: Mandatory meeting between DNREC and each grant/loan recipient to discuss contract and provide copy for signature.
- January 2020: Cycle 9 projects are initiated.

The awarding of grants and loans is subject to availability of funding and the satisfactory completion of all terms of the contract as determined in DNREC's sole discretion. Payment of grant and loan funds is subject to the availability of funding pursuant to the provisions of 7 Del. C. §6054. Any grant or loan recipient who does not perform the activities outlined in their proposal or scope of work may be precluded from making future grant or loan applications.

Grantee Responsibilities - This is a reimbursement-based program. Payment of grant funds is subject to submission of a complete and accurate accounting of all approved project expenses and activities. The grant payment process requires the grantee to submit a report, reimbursement request and supporting documentation. If it is determined, at DNREC's sole discretion, that the contract requirements have been satisfied, approval to pay the reimbursement will be granted. The grantee is permitted to submit multiple requests for reimbursement if efforts are made to minimize the total number of requests. Reports on the status of activities, as described below, are required with the reimbursement request. Prepayment of expenses is not allowed under this program.

In exceptional instances, for qualifying grantees, the Department may be able to allocate funds directly without requiring a reimbursement if the grantee can demonstrate an advanced need for the funds via an economic hardship. Direct funding requests will be evaluated on a case-by-case basis. Grant and loan recipients will be required to report, as specified in the Contract's Scope of Work, on the activities that have been completed to satisfy the grant or loan contract requirements, a discussion of the problems encountered, how they were overcome, the lessons learned, and any suggestions for the DNREC on improving the grant and loan process.

All for-profit entities awarded funds under this grant and loan program are hereby informed that the funds awarded are subject to state and federal taxes as applicable.

DNREC Project Officers or any other duly authorized representative shall have access to any books, documents, papers, and records maintained to account for funds expended under the terms and conditions of the grant or loan for the purpose of audits and examinations.

Grant and loan recipients must provide accurate, current, and complete disclosure of financial results of federal/state sponsored projects. Grant and loan recipients must maintain records of cash match and expenditures of state funds for all activities connected with the grant for at least three years. Grantees' financial management systems must provide for effective control over and accountability for all funds, comparison of actual outlays with budgeted amounts, and accounting records that are supported by source documents.

If any grant or loan recipient is unable to complete an approved project, unused funds will be returned to the *Delaware Recycling Fund*.

VIII. Other Important Information

Awarding of grants or loans is subject to the availability of funding. Existence of this program is dependent upon funding pursuant to the Delaware Solid Waste Recycling Law (7 Del. C. §6054). Being awarded a grant or loan does not imply the DNREC will award future funding. Each grant and loan period's applications are considered in relation to all others received during the same grant period.

Grant and loan recipients must give credit to the Universal Recycling Grants and Low Interest Loan Program administered by DNREC and the RPAC in all news releases, webpages, and publicity pertaining to the grant activities.

Whoever violates the requirements of *Subchapter III. Solid Waste Recycling* in Chapter 60, Title 7 of the Delaware Code (aka Universal Recycling Law) is subject to penalties and other enforcement. To view the Universal Recycling Law visit: <http://delcode.delaware.gov/title7/c060/sc03/index.shtml>.

For technical assistance with the grant application process contact Adam Schlachter at 302-739-9403.